Working Capital Finance for Primary Weavers

*108. SHRI PRAGADA KOTAIAH : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that representations have been received by him requesting for permission to canalise the credit limits sanctioned to Primary Weavers Cooperatives by the NABARD through the branches of the Nationalised Banks and to treat the Weavers' Cooperatives at par with Harijans, Girijans and Women Cooperatives in order to obtain loans under D.I.R. scheme towards their working capital finance ; and

(b) if so, what action has been taken by Government thereon ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH) : (a) and (b) Government has received such representations and considered the matter in consultation with NABARD and RBI. The credit limits are sanctioned to State Cooperative Banks by NABARD for financing the production and marketing activities of Primary Weavers' Cooperative Societies and procurement and marketing of cloth by Apex/Regional Weavers' Societies. The rate of interest charged from State Cooperative Banks (SCBs) for production and marketing activities of weavers' societies is 2.5% below bank rate. Similarly, the rate of interest charged from SCBs for financing purchase and sale of yarn by apex/regional weavers' societies is at the bank rate, which is at present 12%. The financial assistance from NABARD is available to commercial banks for investment credit only, and not for the production and marketing credit. The commercial banks provide loans to individuals/corporate bodies in accordance with the rates of interest prescribed by RBI from time to time. As regards Differential Rate of Interest (DRI) Scheme, the loans are provided to eligible borrowers of public sector banks at 4% rate of interest to the extent of only 1% of their advances as at the end of the previous year. The banks can route credit under the DRI Scheme through State Corporations for Scheduled Castes and Scheduled Tribes and Cooperative Societies organised specifically for the benefit of tribal population, and there is no provision in the Scheme for lending through other kinds of cooperative including weavers' cooperatives.

Air India Offices in Punjab

*109. SHRI HARVENDRA SINGH HANSPAL : Will the Minister of CIVIL AVIATION AND TOURISM be pleased to state :

(a) whether Air India has plans to tap Punjab market to make up lost revenue ;

(b) if so, what are the details thereof ;

(c) whether the travel agents in Punjab have demanded to set up an Air India office at Jalandhar ;

(d) whether it is a fact that five offices of Air India were shut down during 1992 for unstated reasons ; and

(e) if so, what steps are contemplated by Air India to spread its offices in Punjab ?

THE MINISTER OF CIVIL AVIATION AND TOURISM (SHRI MADHAVRAO SCINDIA) : (a) and (b) Air India continues to tap the Punjab market. Its market share at present stands at 21%.

(c) Yes, Sir.

(d) and (e) After the appointment of a General Sales Agent in 1982 for the territory of Punjab, Air India offices were handed over to GSA with the objective of reducing costs. Opening up too many airline offices is generally not commercially a viable proposition.

New Expert Committee on Tehri Dam Project

*110. SHRIMATI VEENA VERMA : SHRI KAPIL VERMA :

Will the Minister of POWER AND NON-CONVENTIONAL ENERGY SOURCES be pleased to state :

(a) whether Government propose to set up a new expert Committee to review the Tehri Dam Project ;

(b) if so, what are the reasons for setting up the Committee ; and

(c) whether any assurance in this regard was given to the Janta Dal M.Ps. by Government in the context of the fast undertaken by Shri Sunder Lal Bahuguna ?

THE MINISTER OF STATE OF THE MINISTRY OF POWER AND NON-CONVENTIONAL ENERGY SOURCES (SHRI KALP NATH RAI) : (a) No, Sir.

(b) Does not arise.

(c) Hon'ble Members of Parliament were reassured of Government's intention to have another look at the safety aspects of the Tehri Dam Project.

Registration of Brokers with SEBI

*111. SHRI YASHWANT SINHA :
SHRI PRAMOD MAHAJAN :

Will the Minister of FINANCE be pleased to state :

(a) whether the Securities and Exchange Board of India has issued a directive to levy hefty fees for registration of brokers ;

(b) if so, what is the amount of fee payable, the rationale behind it, and whether it is mandatory for all brokers to get themselves registered with SEBI ;

(c) what is the total amount expected to be collected by SEBI from these registrations ; and

(d) what will be the effect of this directive on trading by small brokers ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR) : (a) and (b) The Securities and Exchange Board of India (SEBI) issued a letter dated the 10th April, 1992 to Stock Exchanges advising them to supply to their Members a copy of the application form for registration which was enclosed with the letter and to forward to SEBI the application forms alongwith the prescribed fee. Taking into account the concern expressed by stock brokers, SEBI subsequently reduced the one-time registration fee and has provided an option that the fee of 1/100th of 1% of turnover of the individual brokers may be paid annually for a period of five years. The fee works out to Rs. 1000 per Rs. 1 crore turnover of the broker.

Under section 12(1) of SEBI Act, 1992, it is mandatory for all stock brokers to get themselves registered with SEBI. The registration is necessary to regulate the activities of stock brokers with a view to ensuring fair and transparent service to investors and healthy development of capital market.

(c) The amount expected to be collected by SEBI is about Rs. 13 crores per annum for a period of five years.

(d) As the stock brokers have an option to pay the fee based on their turnover, the proposed fee is unlikely to adversely affect trading in securities by them.

Revenue Secretary's Visit to IMF Headquarters

*112. SHRI S. S. AHLUWALIA : Will the Minister of FINANCE be pleased to state :

(a) whether t is a fact that the then Revenue Secretary had visited the IMF Headquarters at Washington in the first half of the year 1990 ;

(b) if so, whether his agenda for discussion with the IMF authorities included direct and indirect tax-structure and the overall tax policy pursued in India ; and

(c) if so, what was the broad outcome of the visit ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR) : (a) Yes, Sir.

(b) and (c) There was an exchange of views on the experience of various countries with regard to different aspects of tax reform and their relevance and suitability